

**AMENDMENTS TO THE CLAIMS**

**Please amend claims 1, 9, 10 and 11. Please cancel claims 3 and 4.**

1. (Currently Amended) A shape memory alloy comprising Co, Ni and Al, wherein said shape memory alloy has a two-phase structure comprising a  $\beta$ -phase having a B2 structure and a  $\gamma$ -phase having an fcc structure, at least 40% by area of crystal grain boundaries of said  $\beta$ -phase being occupied by said  $\gamma$ -phase and the fraction of said  $\gamma$ -phase volume in said shape memory alloy being 5 to 50% by volume, wherein said alloy contains 23 to 27 atomic % of Al and 39 to 45 atomic % of Co, the balance being 28 to 38 atomic % of Ni and inevitable impurities, and wherein said alloy has a tensile strength of about 400-1100 MPa and a shape recovery of 18% or more.

2. (Original) The shape memory alloy according to claim 1, wherein 45 to 80% by area of said crystal grain boundaries of said  $\beta$ -phase are occupied by said  $\gamma$ -phase.

3.—7. (Canceled)

8. (Withdrawn) A method for producing a shape memory alloy comprising Co, Ni and Al with a two-phase structure comprising a  $\beta$ -phase having a B2 structure and a  $\gamma$ -phase having an fcc structure; at least 40% by area of crystal grain boundaries of said  $\beta$ -phase being occupied by said  $\gamma$ -phase; said method comprising a first heat treatment step comprising heating at 1200 to 1350°C. for 0.1 to 50 hours and cooling at 0.1 to 1000°C/minute, and a second heat treatment step comprising heating at 1000 to 1320°C for 0.1 to 50 hours and cooling at 10 to 10000°C/minute.

9. (Currently Amended) The shape memory alloy according to claim 1, wherein said at least 40% by area of crystal grain boundaries ~~comprises~~ is created by a one-stage heat treatment of said shape memory alloy comprising a heat treatment step comprising heating at 1000 to 1350°C for 0.5 to 50 hours and cooling at 10 to 10000°C/minute.

10. (Currently Amended) The shape memory alloy according to claim 1, wherein said at least 40% by area of crystal grain boundaries ~~comprises~~ is created by a two-stage heat treatment of said shape memory alloy comprising a first heat treatment step comprising heating at 1200 to 1350°C for 0.1 to 50 hours and cooling at 0.1 to 1000°C/minute, and a second heat treatment step comprising heating at 1000 to 1320°C for 0.1 to 50 hours and cooling at 10 to 10000°C/minute.

11. (Currently Amended) The shape memory alloy according to claim 10, wherein said first heat treatment step comprises heating at 1350°C for 0.5 hours.